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BY HAND DELIVERY

Chairman Michael K. Powell  
Commissioner Kathleen Q. Abernathy  
Commissioner Jonathan S. Adelstein  
Commissioner Michael J. Copps  
Commissioner Kevin J. Martin

Federal Communications Commission  
445 12<sup>th</sup> Street, S.W.  
Washington, D.C. 20554

Re: **Ex Parte Communication in the Matter of Review of the Section  
251 Unbundling Obligations of Incumbent Local Exchange  
Carriers, CC Docket Nos. 01-338, 96-98, and 98-147.**

Dear Chairman Powell and Commissioners:

DSLnet, Inc. ("DSLnet") respectfully files this *Ex Parte* to urge the Federal Communications Commission ("Commission") to retain, support and strengthen its rules regarding unbundled network elements ("UNEs"). The continued availability of reasonably priced UNEs provisioned by the large incumbent telephone companies ("ILECs") is essential for DSLnet to reach and provide service to its customers.

DSLnet, based in New Haven, Connecticut, provides high-speed data communications and Internet access services to small and medium-sized businesses throughout the country. In addition to offering high-speed connectivity using symmetric digital subscriber line technology ("SDSL"), DSLnet offers its customers other important value-added enhancements such as web hosting, on-line data back up and recovery services, firewalls, and virtual private networks. With DSLnet's full range of affordable offerings, specifically tailored to meet business needs, DSLnet's small business customers are empowered to compete in the Internet economy on par with companies much larger in scale and scope.

DSLnet was founded in 1998, to meet the data communications needs of the "underserved" small and medium-sized business market. DSLnet focused deployment of its high-speed facilities in second and third tier cities - areas that are neither served by

cable providers nor adequately served by large telephone companies. In areas where it has not deployed its own high-speed equipment, DSLnet utilizes the facilities of other carriers. Since its inception in 1998, DSLnet has remained faithful to the core mission of meeting the needs of small businesses. Despite tumultuous business conditions that permeated the telecommunications market in the past year, DSLnet serves a growing base of customers. Today, DSLnet is positioned to serve business customers throughout the country, and on a “facilities-basis” in 200 cities. In many areas where other providers have been forced to discontinue their own offerings, DSLnet has stepped in to serve. DSLnet has gained experience with the complex migration process, and has successfully integrated many of these stranded customer lines over the past year. Most recently DSLnet announced an agreement to acquire the assets and customers of Network Access Solutions. This integration of NAS’ customers that are located in nine east coast states from Massachusetts to Virginia is anticipated to occur by the end of this year.

The opportunity for DSLnet to provide its services is in large part due to the market opening laws enacted as part of The Telecommunications Act of 1996 (“the Act”). These laws enable DSLnet to provide its high speed services to customers cost-effectively as the Act requires incumbent telephone companies to lease components of the network to competitive providers at forward-looking or “TELRIC” prices. DSLnet depends on the continued ability to lease these unbundled network elements (“UNEs”). Specifically, the UNEs critical to DSLnet’s operations are:

- Two wire copper loops;
- Inter-office transport copper loops or facilities;
- High capacity copper loops, i.e. DS1 loops.

In addition, DSLnet leases “cageless” collocation space in telephone company central offices that is used to place DSLnet’s high-speed equipment. The continued availability of these network elements, at low prices, is critical to our business operations. There are simply no cost-effective substitutes for these services. These are “bottleneck” facilities, owned by the large telephone companies, paid for historically by telecommunications ratepayers. DSLnet has invested millions of dollars to gain access to these network elements. The continued availability of reasonably priced access to copper wires to reach our customers will ensure that DSLnet can serve the small business market cost effectively.

DSLnet, itself a small business that employs under two hundred people, understands how important it is for small companies to be able to choose among service providers that best meet its business needs; and 2) select from a variety of services and prices for communications services. DSLnet’s business is the business customer. DSLnet focuses exclusively on the business customers’ data communications needs. DSLnet has developed important value-added services that eliminate any discernable differences for Internet connectivity between the “big” and “smaller” players. This is extremely important in a competitive business marketplace. DSLnet provides small business with this competitive “edge” that’s simply not available from either cable

providers located in primarily residential areas, or large ILECs with their eyes on residential community and the largest business market.

DSLnet urges the Commission to continue to require that critical, bottleneck network facilities be offered to wholesale providers like DSLnet to enable us to reach our customers. DSLnet also respectfully requests that the Commission expedite and conclude its review of unbundling requirements, as the regulatory uncertainty surrounding these issues is troubling to our company and business customers.

If there are any further questions concerning DSLnet's needs, I would be glad to discuss or meet with you. In addition, Wendy Bluemling (203/782-7440) who is responsible for DSLnet's regulatory work can be contacted for questions and clarification.

Sincerely,

David F. Struwas